

**RESOLUTION NO. 74855**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSÉ AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH MEDEXPERT INTERNATIONAL TO PROVIDE TOTAL HEALTH AND DISEASE MANAGEMENT (THDM) SERVICES TO ELIGIBLE EMPLOYEES AND THEIR DEPENDENTS AND RETIREES AND THEIR BENEFICIARIES AS A PILOT WELLNESS PROGRAM FOR HEALTH CARE COST CONTAINMENT**

**WHEREAS**, in June 2008 the City Council of the City of San José (“City Council”) received a presentation on retiree healthcare issues, supported the development of new wellness initiatives, and directed staff to proceed with a pilot total health care management and risk reduction strategy through the wellness program for eligible employees and retirees; and

**WHEREAS**, in October 2008 a Request for Proposal (“RFP”) was initiated for the City’s Total Health and Disease Management (“THDM”) services to obtain an independent, third party, care management vendor specializing in chronic condition care, disease management, patient decision support for treatment alternatives, and wellness education for City’s eligible employees and their dependents and retirees and their beneficiaries; and

**WHEREAS**, the RFP was posted on the City’s Bidline and direct mail letters were sent to eleven companies known within the industry as leaders in care management and employee wellness; proposals were received from eight managed care organizations; and through review and rating using RFP evaluation criteria, a composite ranking was

ascertained, and the top four vendors were interviewed, with MedExpert International, Inc. being unanimously selected; and

**WHEREAS**, the City desires to negotiate and execute an agreement with MedExpert International, Inc. to provide Total Health and Disease Management (THDM) services to eligible employees and their dependents and eligible retirees and their beneficiaries as a pilot wellness program for health care cost containment;

**NOW, THEREFORE**, BE IT RESOLVED by the Council of the City of San José that the City Manager is:

1. Authorized to negotiate and execute a Total Health and Disease Management (THDM) Service Agreement with MedExpert International, Inc. for the period ending June 30, 2010, in a total cost for the initial agreement period not to exceed \$304,010 (\$42,420 for the remainder of fiscal year 2008-2009 and \$261,590 for fiscal year 2009-2010); and
2. Authorized to execute two options to extend the term of the Agreement through fiscal year 2011-2012 and increase the annual amounts not to exceed \$296,940 for Option 1 (fiscal year 2010-2011) and not to exceed \$296,940 for Option 2 (fiscal year 2011-2012), subject to the appropriation of funds by the City Council; and
3. Authorized to negotiate and execute Confidentiality and Indemnification Agreements with MedExpert International, Inc., and each of the City's healthcare plan providers, Kaiser Permanente, Blue Shield of California, and

United Health Company, in order to implement the Total Health and Disease Management Services Agreement with MedExpert International, Inc..

ADOPTED this 7th day of April, 2009, by the following vote:

AYES: CAMPOS, CHU, CONSTANT, HERRERA, KALRA,  
LICCARDO, NGUYEN, OLIVERIO, PYLE; REED.

NOES: NONE.

ABSENT: CHIRCO.

DISQUALIFIED: NONE.

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CHUCK REED  
Mayor

ATTEST:

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LEE PRICE, MMC  
City Clerk